STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

Case 14-M-0101 - In the Matter of Reforming the Energy Vision

ENVIRONMENTAL ASSESSMENT FORM

Prepared By:

NEW YORK STATE DEPARTMENT OF PUBLIC SERVICE
Three Empire State Plaza
Albany, New York 12223-1350

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Albany, New York

State Environmental Quality Review
Environmental Assessment Form

Introduction

An environmental assessment is an evaluation of the known or potential environmental consequences of a proposed action. Such an assessment also determines whether additional information about such impacts is needed. This document provides substantive information solicited by Appendix C of 6 NYCRR §617.20 of the implementing regulations pertaining to Article 8 of the New York State Environmental Conservation Law (ECL).

An Environmental Assessment Form (EAF) provides an organized approach to identifying the information needed by the lead agency to make its determination of significance 6 NYCRR §617.7. This EAF contains a project description, location of the actions, describes the outcome of the action, and identifies the potential impacts on the environment. The environment is defined by 6 NYCRR §617.1(d) and §617.2(1).

Part I - PROJECT INFORMATION

Name of Action:

In the Matter of Reforming the Energy Vision

Project Location: New York State

The Proposed Action:

An order of the New York State Public Service Commission (SPC) directing the Staff of the Department of Public Service to undertake a proceeding and develop a proposal for implementing a Reforming the Energy Vision Initiative. Such Initiative, if undertaken, would seek to increase demand response and promote the deployment of distributed energy resources (DER) by modifications of existing programs or rule changes.

Applicant/Sponsor:

New York State Public Service Commission
Three Empire State Plaza Albany, New
York 12223

1-2. Legislative Adoption/Funding From Other Governmental Agencies:

The action does not involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation. The action does not require a permit, approval or funding from any other governmental agency.

1-3 Land Use of Proposed Action:

The action to be undertaken by the Commission does not include direct approval for the siting or construction of any facilities. There, a consideration of site-specific amounts of land affected, and compliance with existing zoning or other land-use controls are inapplicable to this evaluation.

PART II - IMPACT ASSESSMENT

As presently envisioned by the Staff of the Department, the goal of the Reforming the Energy Vision (REV) program is to improve deployment and utilization of distributed energy resources (DER) such as demand response, distributed generation, and energy efficiency program. The REV program should not result in direct impacts on the biological, social or physical environment. The action is intended to induce secondary impacts that may have both positive and negative impacts on the environment. This EAF sets out an evaluation of the range of conceivable secondary impacts of the action. This evaluation relies on qualitative judgments as to the potential changes resulting from the proposed action and the magnitude and importance of the corresponding environmental consequences.

A. IMPACTS ON AIR

The existing Renewable Portfolio Standard (RPS) main tier projects have resulted in reduction of fossil fuel use with a corresponding decrease in the emission of carbon dioxide, sulfur oxides, and nitrogen oxides. The Consumer Sited

Tier (CST,) of the RPS is currently dominated by PV, and results in the same type of benefits but at a much smaller scale. The chief advantage of CST energy production is that the energy is produced and consumed at or near the same location. REV program related projects will seek to expand this benefit. Some projects may include use of on-site generators such as micro turbines that may consume biogas, natural gas or petroleum fuels. Stringent regulatory requirements already in place for permitting for air emissions will minimize environmental impacts of DER projects.

B. IMPACTS ON WATER

The REV program should not have significant impacts to water resources. As it is implemented, the REV program should displace traditional fossil fueled generation. Many generators rely on antiquated "once through" cooling systems that consume enormous amounts of water, and discharge high temperature water that results in thermal plumes that impact water bodies and aquatic species. Individual REV program-related projects may result in negative aquatic impacts. Actual impacts will have to be assessed on a project specific basis.

C. IMPACTS ON LAND

The implementation of the REV program may result in the siting and construction activities that impact soils, vegetation and other environment resources. Institutional arrangements for the construction and operation of REV program related resources may require communities to evaluate local rules related to land use. The siting of distributed generation in residential or commercial settings may also require reconsideration of local zoning requirements.

D. IMPACTS ON PLANTS AND ANIMAL

With new construction, it may be necessary to clear and re-grade land, potentially resulting in loss of habitat due to land disturbance and other operational interference with terrestrial and aquatic resources. This could result in negative impacts to threatened or endangered species. Construction activities can also result in the introduction of invasive species into previously pristine areas.

E. IMPACTS ON AGRICULTURAL LAND RESOURCES

Agricultural facilities including farms and production facilities may benefit from REV program-related projects since these operations are generally located in rural locations well removed from power supplies. With new construction, there could be the need to clear and re-grade land with the potential for loss of agricultural resources due to land disturbance and other operational interference with terrestrial and aquatic resources.

F. IMPACTS ON AESTHEIC RESOURCES

The siting and construction of REV program-related infrastructure could increase the potential for introducing visually obtrusive structures into the landscape. Due to their height and placement along established transportation corridors, electric distribution poles and transmission towers can frequently result in negative impacts to visual and cultural resources Reduction of reliance on traditional fossil fueled generation should help reduce visual impacts to areas identified as needing protection in US EPA's Best Available Retrofit Technology (BART) program.

G. IMPACTS on HISTORICAL and ARCHEOLOGICAL RESOURCES

Implementation of REV program-related projects may result in disturbances near or within listed eligible cultural resources may introduce visually obtrusive structures. Construction activities may also result in disturbance of sensitive archeological resources.

H. IMPACTS on OPEN SPACE RECREATIONAL RESOURCES

The implementation of the REV program may result in the siting and construction of DER resources as well as improvements or expansion of electrical infrastructure such as transmission, distribution and sub-stations. Such activities could result in disturbances near or within open space or recreational resources. These impacts will continue to be evaluated in accordance with existing applicable laws rules and deed restrictions applicable to such resources.

I. IMPACTS ON CRITICAL ENVIRONMENTAL AREAS

As with any construction related activity, REV program-related projects may result in impacts to critical environmental areas. Yet such projects should also ultimately reduce reliance on traditional fossil fueled generation that has been demonstrated environmental resources.

J. IMPACTS ON TRANSPORTATION

Supporting plug in electric and fuel cell vehicles will likely be considered in the REV program. With such new construction, changes or disturbances to transportation infrastructure or modes of transportation may occur within transportation systems that will have to be evaluated.

K. IMPACTS ON ENERGY

If implemented, the REV program will likely result in changes in how and where electricity is generated, distributed and stored, along with new institutional arrangements and new spending by both public and private energy utilities. It is the purpose of this action to reduce pollution associated with energy production, improve energy availability, and lower costs.

L. NOISE and ODOR IMPACTS

It is possible that short-term or persistent noise or odor impacts may result from construction activities or long term operation of new facilities. Virtually all energy related infrastructure results in noise or vibration in surrounding communities during the construction phase. Mitigation can help reduce such impacts but generally cannot completely eliminate increased noise levels around a new facility.

M. IMPACTS ON PUBLIC HEALTH

Distributed generation may result in new air emissions and there is the potential for respiratory impacts near a new source. While this work could potentially create new public health impacts, the intent of the REV program is to reduce emissions into the environment and utilize newer, cleaner facilities in place of dirtier generation.

N. IMPACTS ON COMMUNITY GROWTH or CHARACTER

Development of the REV program will likely facilitate greater implementation of DER. These changes may involve many components of the energy system in New York State as well as production and delivery of energy to both communities and neighborhoods. These changes are intended to improve energy systems and lower costs; however, there may be primary and/or secondary impacts on communities associated with the siting of DER facilities.

PART III - DETERMINATION OF SIGNIFICANCE

The Action may result in significant adverse environmental impacts as described above, and a positive declaration should be issued, in accordance with 6 NYCRR §617.7(a)(1).

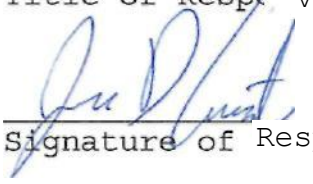
A generic environmental impact review should be conducted. A generic EIS is appropriate to assess the environmental impacts of a number of separate actions in a given geographic area which, if considered singly, may have minor impacts, but if considered together may have significant impacts. A generic EIS is also appropriate for review of (1) a sequence of actions contemplated by a single agency or individual, or (2) separate actions having generic or common impacts, or (3) an entire program or plan having wide application or restricting the range of future alternative policies or projects. See 6 NYCRR §617.10.

The action under consideration here (i.e., a Commission order directing Staff to undertake a proceeding and develop a proposal for implementing the REV program) is consistent with the criteria for using the generic EIS process. While project-specific environmental impacts will likely occur if and when specific actions are proposed as a result of implementation of the REV program, no such specific actions are being proposed at this time. Thus, the particular scope, nature and severity of such project-specific impacts are unknown at this time. However, the action contemplated here would call for development and review of a long term strategy which, while beneficial to the environment in many ways, may also have significant adverse environmental impacts. Accordingly, preparation of a Generic Environmental Impact Statement is appropriate here.

Public Service Commission
Name of Lead Agency

James Austin
Print or Type Name of Responsible Officer in Lead Agency

Deputy Director, Office of Energy Efficiency and the Environment
Title of Respo Visible Officer



Signature of Responsible Officer in Lead Agency

4/23/14
Date